COUNTY GOVERNMENT OF KISUMU

COUNTY ASSEMBLY OF KISUMU

THE HANSARD

Official Report

THIRD ASSEMBLY – THIRD SESSION

Thursday 07th March, 2024

House met in the Main Chamber at 2:30 p.m.

(The Speaker (Hon. Elisha Jack Oraro) in the Chair)

PRAYERS

The Speaker (Hon. Oraro): Clerk, take us through the Order Paper of today.

The Speaker (Hon. Oraro): Next order!!

COMMUNICATION FROM THE CHAIR

The Speaker (Hon. Oraro): Honourable Members, I welcome you to this session. With me is a letter from the County Executive inviting Members of the County Assembly of Kisumu to the celebration of International Women's Day to be held on Friday, 08th March, 2024 at Pap Kadundo Stadium in Seme Sub County. I repeat the invitation of Members of the County Assembly of Kisumu to the celebration of International Women's Day on Friday, 08th March, 2024 at Pap Kadundo Stadium in Seme Sub County. Thank you.

The Speaker (Hon. Oraro): Next order!!

NOTICES OF MOTION

REPORT ON THE REPRESENTATION OF THE COUNTY IN THE LAND CONTROLS BOARD

BY

HON. RATIB BOITONE, MCA, NYALENDA "A" WARD

(CHAIRPERSON, STANDINNG COMMITTEE OF LANDS, HOUSING, PHYSICAL PLANNING AND URBAN DEVELOPMENT)

STATUS OF OPERATIONS OF MUNICIPALITIES IN KISUMU COUNTY

BY

HON. RATIB BOITONE, MCA, NYALENDA "A" WARD

(CHAIRPERSON, STANDINNG COMMITTEE OF LANDS, HOUSING, PHYSICAL PLANNING AND URBAN DEVELOPMENT)

The Speaker (Hon. Oraro): Hon. Ratib Boitone.

Hon. Boitone (MCA, Nyalenda A Ward): Thank you Mr. Speaker. Pursuant to the provision of Orders No. 45(1) of the Standing Orders, I wish to give a Notice of Motion that this House adopts report of Standing Committee of Lands, Housing, Physical Planning and Urban Development on the Representation of the County in the Land Controls Board.

On Additionally, Hon. Speaker, pursuant to the provision of Orders No. 45(1) of the Standing Orders, I wish to give a Notice of Motion that this House adopts a report of the Standing Committee of Lands, Housing, Physical Planning and Urban Development on the Establish Status of Operations of Municipalities in Kisumu County. Thank you.

(Hon. Boitone lays the following papers before the House for consideration)

The Speaker (Hon. Oraro): Next order!!

STATEMENT

The Speaker (Hon. Oraro): It is Statement time. Hon. James Were.

Hon. Were (MCA, Nyalenda "B" Ward): Thank you Mr. Speaker. I rise pursuant to the provisions of Standing Order No. 41 (2) (b) of the Standing Order to seek a Statement from the Chairperson of the Standing Committee on Labour and Social Welfare Services regarding the recent Recruitment of Revenue Enforcement Officers by the Kisumu County Public Service Board.

Mr. Speaker, the Board was entrusted by the County Revenue Board to recruit qualified and competent individuals for this position. While it is understood that interviews were conducted, the current status of the process remain unclear.

Mr. Speaker, it is against this backdrop that I request the Chairperson of the Labour and Social Welfare Services Committee that we wish to enquire and report on the following;

a) The current stage of the recruitment process, whether it is complete or not?
b) Detailed report of the process which should include, the long and shortlisting procedures detailing how the applicants were evaluated and selected?
c) Total number of individuals selected visa-vie their respective qualification?
d) Distribution of recruited officers across the sub counties, wards detailing consideration of gender and marginalized groups?

Mr. Speaker, I believe this information will provide us with transparency and ensure adherence to principles of fairness and inclusivity in the recruitment process. Thank you.

The Speaker (Hon. Oraro): Honourable Members, I have noticed that the Honourable Chair of Labour and Social Welfare Services Committee is present in in House, may I give him time to respond on the same.

Hon. Okoyo (MCA, Central Kisumu Ward): Thank you Mr. Speaker. I want to say that this Statement has come at the right time. I am ready to do the necessary, so, I reply.

The Speaker (Hon. Oraro): You oblige to bring the report in two weeks Hon. Zachary?

Hon. Okoyo (MCA, Central Kisumu Ward): Mr. Speaker, I believe that if given the necessary support, I will need like two weeks to bring back the report, thank you, Mr. Speaker.

The Speaker (Hon. Oraro): Honourable Members, I commit that report to the Standing Committee of Labour and Social Welfare Services, and you are required to report back to this House in two weeks. Hon. Zachary Okoyo if you say it is two weeks let it be two weeks that you will report back to the House.

The Speaker (Hon. Oraro): Honourable Members. It is Statements time. Next Order.

MOTION

3RD READING OF THE KISUMU COUNTY AGRICULTURAL FACILITY IMPROVEMENT FINANCING BILL, 2023,

(KISUMU COUNTY BILL NO. 9, 2023)

BY

HON. EUNICE ALANDO, NOMINATED MEMBER.

(CHAIRPERSON, STANDING COMMITTEE OF AGRICULTURE. LIVESTOCK DEVELOPMENT, FISHERIES AND IRRIGATION)

The Speaker (Hon. Oraro): What is it Hon. Jagongo?

Hon. Jagongo (MCA, North-West Kisumu Ward): Thank you Hon. Speaker, Sir, I beg to move that the Kisumu County Agricultural Facility Improvement Financing Bill,2023 (Kisumu County Bill No. 9, 2023) be read for a third time, and I request Hon. Dede to Second.

The Speaker (Hon. Oraro): Hon. Jagongo you cannot just wake up and start proposing that a Bill be moved for the Third Reading while in the Order Paper I can see that I was going to call upon Hon. Eunice Alando.

Hon. Jagongo (MCA, North-West Kisumu Ward): Hon. Speaker, on behalf of the Chair, allow me...

The Speaker (Hon. Oraro): Honourable Members, procedurally you should state that you are seeking the leave of the House or the Speaker, so that you move the motion on behalf of the Chair.

Hon. Jagongo (MCA, North-West Kisumu Ward): Hon. Speaker, Sir, I stand guided. Hon. Speaker, with the leave of the House, I beg to move a motion on behalf of Hon. Alando, the Chairperson of Agriculture Committee, that the Kisumu County Agricultural Facility Improvement Financing Bill,2023 (Kisumu County A Bill No. 9, 2023) be read for a Third time, and I also request the Hon. Samuel Dede to Second.

The Speaker (Hon. Oraro): Yes, Hon. Samuel Dede.

Hon. Dede (MCA, North- Kisumu Ward): Thank you, Mr. Speaker, I second.

The Speaker (Hon. Oraro): Honourable Members, now that the Hon. Vincent Jagongo has requested on behalf of Hon. Eunice Alando that the Kisumu County Agricultural Facility Improvement Financing Bill,2023 (Kisumu County A Bill No. 9, 2023) be read for the Third time, I want to give time to the Clerk to read the Bill for the Third time.

(*Third Reading*)

KISUMU COUNTY AGRICULTURAL FACILITY IMPROVEMENT FINANCING BILL, 2023,

(KISUMU COUNTY BILL NO. 9, 2023)

A Bill for an Act of the County Assembly of Kisumu to give effect to Section 109 (2)(b) of the Public Finance Management Act, 2012, to establish financial management framework for

defraying the operational expenses of Kisumu County Agricultural entities and for connected purposes.

(The Bill now stands read for the Third Time)

The Speaker (Hon. Oraro): Honourable Members, as per the provisions of our Standing Orders, when a Bill is read for the Third time, it gives an opportunity for the Members to further interrogate and give amendments if there are any. In that regard therefore, I want to open the Bill for debate.

(*Silence*)

The Speaker (Hon. Oraro): Honourable Members, I want to presume that silence means there are no further amendments on the Kisumu County Agricultural Facility Improvement Financing Bill,2023 (Kisumu County A Bill No. 9, 2023) and I equally want to confirm that I haven't received any communication of any Member on further amendments. So, let me give opportunity to the Chair, Agriculture to reply.

The Speaker (Hon. Oraro): Yes, Hon. Jagongo.

Hon. Jagongo (MCA, North-West Kisumu Ward): Thank you, Mr. Speaker, Sir, I want to thank the Members of this House who deliberated on the Kisumu County Agricultural Facility Improvement Financing Bill, 2023 (Kisumu County A Bill No. 9, 2023), when we were discussing the importance of the Bill. I equally want to also thank everybody who participated in the deliberations. We are going to take into consideration, all the issues that were raised, and I believe that this is a Bill that is going to help our people, especially the farmers and our institutions within the County to move forward. Otherwise, thank you Mr. Speaker, and thank you Members. I reply.

The Speaker (Hon. Oraro): Hon. Members, the Kisumu County Agricultural Facility Improvement Financing Bill, 2023 (Kisumu County A Bill No. 9, 2023) was tabled in this House after the First Reading. It was committed to the Standing Committee of Agriculture, Livestock Development, Fisheries and Irrigation, thereafter Public Participation was carried out on the Bill, Second Reading was done, and amendments made.

Honourable Members, today we had the Third Reading of the Kisumu County Agricultural Facility Improvement Financing Bill,2023 (Kisumu County A Bill No. 9, 2023) and we therefore come to the conclusion of that Bill making process. In that regard as per the provisions of our Standing Orders, I want to put a question. The question I am putting is in consideration of all the steps that have been undertaken?

(Question put and agreed to)

The Speaker (Hon. Oraro): Honourable Members, the Kisumu County Agricultural Facility Improvement Financing Bill,2023 (Kisumu County A Bill No. 9, 2023) has been adopted today, Thursday 07th March, 2024, at 14:50 hours.

Consequently, I direct that the Hansard report and the Velum be prepared for purposes of forwarding to the Governor for accent. Thank you.

The Speaker (Hon. Oraro): Next Order!!

MOTION

ADOPTION OF THE REPORT OF THE SELECT COMMITTEE OF PIC/PAC ON THE EXAMINATION OF THE REPORT OF THE AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS OF KISUMU COUNTY EMERGENCY COVID-19 FUND FOR THE YEAR ENDED 30TH JUNE 2022.

PRESENTED BY

HON. KENNEDY OUKO, MCA, WEST KISUMU WARD

(CHAIRPERSON, SELECT COMMITTEE OF PIC/PAC)

The Speaker (Hon. Oraro): Hon. Ouko, Chair, PIC/PAC Committee.

Hon. Ouko (MCA, West-Kisumu Ward): Thank you Mr. Speaker, Hon. Speaker, on behalf of the Public Accounts and Investments Committee (PICPAC), and Pursuant to Kisumu County Assembly Standing Orders 188, I wish to present to this House the report of the Committee on the audited financial statements of Kisumu County Covid-19 Emergency Fund for the financial year 2021/2022.

The County Assembly exercises oversight over County Government entities/investments and their expenditure Pursuant to Article 185(3) of the Constitution of Kenya 2010, through the Public Accounts and Investments Committee which, in turn, derives its mandate from the County Assembly Standing Orders.

Article 229 (8) of the Constitution of Kenya, 2010, requires the County Assembly, within three months after receiving an audit report, to debate, consider the report and take appropriate action.

The Committee held 2 sittings during which it received both written and oral evidence from the Accounting Officer on audit queries raised by the Auditor-General on the financial statements of Kisumu County Covid-19 Emergency Fund for the financial year 2021/2022

Honorable Speaker, I wish to register my appreciation to fellow Honorable Members of the Committee, the Offices of the Speaker and the Clerk of the Assembly, Committee Secretariat and

the Office of the Auditor General for facilitation and technical support that made the production of this report possible.

I also thank the management of Kisumu County Covid-19 Emergency Fund for honoring committee invitations and submission of responses on time.

Special appreciation goes to the Hansard department for ensuring that all our meetings with Accounting Officers are broadcasted live.

Honorable Speaker, on behalf of the Public Accounts and Investments Committee, I now wish to table the report on the consideration of the Auditor General's report on the Financial Statements of the Kisumu County Covid-19 Emergency Fund for the financial year 2021/2022 and urge this House to adopt it.

LEGAL FRAMEWORK & GUIDING PRINCIPLES

Legal Framework

Hon. Speaker, the Committee was guided by the following legal instruments;

1. Constitution of Kenya 2010: Article 229 (4) of the Constitution of Kenya, 2010 requires the Auditor General, within a period of six months after the end of each financial year, to audit and report, in respect of that financial year, on;
    i. The accounts of the National and County governments,
    ii. The accounts of all funds and authorities of the National and County governments,
    iii. Accounts of all courts,
    iv. The accounts of every commission and independent office established by this constitution,
    v. The accounts of National Assembly, the Senate and the county assemblies,
    vi. The accounts of the political parties funded from the public funds,
    vii. The public debt and
    viii. The accounts of any other entity that legislation requires the Auditor General to Audit

    Article 229(8) further states that "*within three months after receiving an audit report, parliament or county assembly shall debate and consider the report and take appropriate action".*
1. Direct Personal Liability: Article 226(5) of the Constitution is unequivocal that, if the holder of a Public Office or a political office, directs or approves the use of Public Funds contrary to the law or instruction, the person is liable for any loss arising from that use and shall make good, the loss, whether the person remains the office holder or not.
2. Public Audit Act 2015; Section 7 mandates the Auditor General to: (i) Give assurance on the effectiveness of internal controls, risk management and overall governance at

National and County Government; (ii) Undertake audit activities in state organs and public entities to confirm whether or not public money has been applied lawfully and in an effective way

3. Section 203(1) of the Public Finance Management Act, 2012 enacts that; a public officer is personally liable for any loss sustained by a County Government and is attributed to; (i) The fraudulent or corrupt conduct, or negligence of the officer or, (ii) The officer's having done any act prohibited by Sections 196, 197, and 198
4. Public Finance Management Act, 2012: Section 149 (1) of the Public Finance Management Act, 2012 which states that "*An accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is –*
    a) *Lawful and authorized; and*
    b) *Effective, efficient, economical and transparent"*

Guiding Principles

Hon. Speaker, in the execution of its mandate, the Committee was guided by Constitutional and statutory principles on Public Finance Management.

These principles include the following;

Constitutional Principles on Public Finance: Article 201 of the Constitution of Kenya 2010 provides for fundamental principles aimed at guiding all aspects of Public Finance. It states that the principles are; inter alia;

i). Openness and Accountability including public participation in financial matters;
ii). Public money shall be used in a prudent and responsible way; and
iii). Financial management shall be responsible and fiscal reporting shall be clear.

The Committee considered these legal provisions and guiding principles as the basis for holding to account public officers directly and personally liable for any loss of Public Funds that may occur under their watch.

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE KISUMU COUNTY COVID-19 EMERGENCY FUND FOR THE YEAR ENDED 30, JUNE 2022

Hon. Speaker, the opinion of the Auditor General on the financial statements of Kisumu County Covid-19 Emergency Fund for the year ended 30, June 2022 was Qualified, meaning that except for a few issues discussed in the basis for opinion, the financial statements of the fund represented a true and fair view of the fund, for the FY 2021/2022.

Hon. Speaker, in examining the report of the Auditor General, the Committee invited Mr. Wilson Abiero, the fund administrator and the Accounting Officer before it on 22nd June 2023 to adduce

evidence on the Audited Financial Statements of the Kisumu County Covid-19 Emergency Fund for the year ended 30, June 2022.

The following officer represented the Office of the Auditor General in the Committee meeting of 22nd June 2023;

Anthony Maina Mwangi – Office of the Auditor General

The following are the issues that were raised by the Auditor General on the Financial Statements of Kisumu County Covid-19 Emergency response Fund FY 2021/2022;

a) Inaccuracies in the Financial Statements
b) Misstated depreciation
c) Purchase of Uniforms and Clothing of Staff
d) Unauthorized expenditure -Unapproved budget
e) Failure to maintain a Fixed asset register
f) Progress of follow-up on prior year Auditors recommendations

Hon. Speaker, after considering the management's written and verbal responses on the above issues, the Committee have the following observations to report;

OBSERVATIONS

1. The Officer from the Office of the Auditor General submitted that as at the time of committee deliberations, the matter of inaccuracies in statement of financial performance had been satisfactorily responded to.
2. The management failed to address the two issues raised by the auditor; that is Kshs. 3,346,723 which was reported to have been used to purchase property, plant, equipment and intangible assets and Variance of Kshs. 4,655,703 as a result reporting an opening cash balance of Kshs. 4,832,550 different from the closing balance for the prior year of Kshs. 175,847
3. That the management failed to address/disclose the status of the issues and recommendations by the Auditor General in the prior year audit report
4. That the management failed to maintain a fixed asset register Pursuant to regulation 136(1) of the PFM regulations, which requires maintenance of a fixed asset register
5. That in some occasions, the management failed to provide timely information/documents as requested by the auditors during the time of audit
6. That in some occasions, the management failed to comply with Section 81(3) of the Public Finance Management Act, 2012 on adhering to the accounting standards prescribed and published by the Accounting Standards Board from time to time.
7. The management applied a wrong method to arrive at depreciation charge on the matter of misstated depreciation

8. The explanation from the management on the matter of Purchase of Uniforms and Clothing of Staff was not in order as payment of pending bills should not affect an expenditure item during the year under review but it affects payables and cash and bank balances
9. The management also failed to provide evidence supporting transfer of payment of the debts to the County Executive as alleged in their response, evidence of the County Executive returning the alleged payment of the debts to the Covid-19 Emergency Fund and the details of how the uniforms and the protective gear were distributed

10. The Management provided the budget for review as at the time of committee deliberations…

Hon. Oiko (MCA, Kabonyo-Kanyagwal Ward): Point of Order Mr. Speaker.

The Speaker (Hon. Oraro): What is your Point of Order?

Hon. Oiko (MCA, Kabonyo-Kanyagwal Ward): (*On a Point of Order*) Mr. Speaker, Sir, I assume I have the same copy but I am not following what the Chair is reading. Maybe he can clarify the page where he is so that I may be able to follow.

The Speaker (Hon. Oraro): Hon. Benny Pete Oiko, we agreed the movers of motions will be using Moving Notes and that is why I always direct that the main reports be sent to Members early enough for them to go through and prepare appropriately for debate. Anyway, let me give Hon. Ken to respond to the Point of Order, a concern by Hon. Benny Pete.

Hon. Ouko (MCA, West-Kisumu Ward): Thank you for that. We are in the recommendations and if you go through the main report, which you have, you will notice that this is where we are giving out our general recommendations. That is page 16 of the main report. Are you on the page Hon. Member?

The Speaker (Hon. Oraro): Hon. Benny, are you with him? I think you can proceed. Hon. Dede, I think you can assist Hon. Benny Pete.

Hon. Oiko (MCA, Kabonyo-Kanyagwal Ward): Mr. Speaker, I am seeing page 16 but the Hon. Chair was too fast, if he is on page 16, which I am seeing and from the time he started reading and he is on page 16, he has to be much keener because he has covered a lot of ground.

The Speaker (Hon. Oraro): Hon. Benny Pete, I want to protect the mover of the motion. I have listened to him keenly and he has done a summary of the whole report. I believe that the Chair jumped the main recommendations but I directed that the report was to be sent to Members early so that they can go through it beforehand. Remember when we were starting the Assembly; we did some procedural Motion on Debate on Limitation of Time, giving the mover of the motion a given number of minutes. Now given those minutes, the Members must go through the report

early so that Members can debate on it. So, Hon. Benny, unless you are just receiving the report, I will excuse the motion mover.

Hon. Oiko (MCA, Kabonyo-Kanyagwal Ward): Mr. Speaker, these are figures, and figures call for attention. When the mover of the motion jumps from page to page, without Members being alerted the sequence of the pages as he moves, if he is fast as he is, it will not be easy to follow. Mr. Speaker, you will see by the end of his presentation, the House will be unable to contribute. Let us watch.

The Speaker (Hon. Oraro): Hon. Oiko, maybe your neighbour can assist you or you can sit next to one who moving with the mover. Hon. Ken. Ouko you can proceed.

Hon. Ouko (MCA, West Kisumu Ward): Thank you Mr. Speaker, the concern is addressed. I am going to the General Recommendation….

GENERAL RECOMMENDATIONS

1. That going forward, the management must ensure compliance to the Public Sector Accounting Standards Board reporting template in regards to disclosure of the status of implementation of prior year recommendations
2. That going forward, the Management must adhere to Regulation 136(1) of the Public Finance Management (County Government regulations) 2015 which states that ''*the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.*
3. That going forward, the management must adhere to Section 81(3) of the Public Finance Management Act, 2012 which states that ''The accounting officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.''
4. That the Management consider strengthening internal controls and oversight mechanisms to catch discrepancies in financial reporting at an earlier stage.
5. That going forward, the management must ensure timely submission of information to the Auditor General during the time of audit
6. That the County Executive Committee member for Finance, Economic Planning and ICT initiates an internal investigation to establish and address the discrepancies in the Cash Flow Statement and submit a report to this House within a period of 90days upon adoption of this report
7. That going forward, the management must ensure timely reconciliation of financial statements to ensure transparency and accountability
8. That going forward, the management must apply the correct method in arriving at depreciation charge
9. That the Fund Administrator submit to this Assembly evidence supporting the following within 90days upon adoption of this report, failure to which the matter be referred to the

Ethics and Anti-Corruption Commission for further investigation on the possible loss of public funds amounting to Kshs. 8,224,100;

a) Transfer of payment of the debts to the County Executive
b) County Executive returning the alleged payment of the debts to the Covid-19 Emergency Fund
c) The details of how the uniforms and the protective gear were distributed

10. That the County Executive Committee member for Finance, Economic Planning and ICT initiate a capacity building on Fixed Asset Management for the relevant officers within a period of 90days upon adoption of this report.

CONCLUSION

Hon. Speaker, I hereby request that this House adopts this report of the Public Accounts and Investments Committee on the consideration of the Auditor General's Report on the Financial Statements of the Kisumu County Covid-19 Emergency Fund for the financial year 2021/2022.

Hon. Ouko (MCA, West Kisumu Ward): May I call Hon. Geoffrey Warindo to second.

The Speaker (Hon. Oraro): Yes, Hon. Warindo.

Hon. Warindo (MCA, Miwani Ward): Thank you Mr. Speaker, I rise to second the report and have the following to say. The report was circulated in time and we all went through the main report. There were so many issues that were raised and some were resolved while others weren't. In this House Committee, we are looking at the prudent and responsible use of public funds. Most of the issues that were not resolved involve cash, and how I wish, that going forward, the questions that have been raised, will be resolved in good time. Again, there are cases where recommendations are being made, and they are given to the management and the institutions and they are not making any effort to respond to those recommendations. How I wish that this report would be taken seriously so that the recommendations given forth are properly addressed. Thank you so much, and I second.

The Speaker (Hon. Oraro): Honourable Members, now that the Select Committee of PIC/PAC has moved a motion on the report on the Examination of the report of the Auditor General on the Financial Statements of the Kisumu County Covid-19 Emergency Fund, for the year ended 30th June 2022, and seconded, I want to propose that the report is open for debate.

The Speaker (Hon. Oraro): Yes, Hon. Nereah Okombo, the Deputy Speaker.

Hon. Okombo (MCA, Manyatta "B" Ward): Thank you, Mr. Speaker. I also rise to support the adoption of this report. I was keenly following as the Chair was moving the report, and Mr. Speaker, it is worth noting that the report captures so much in regards to the reporting that was done by the department. Mr. Speaker, Article 183 of the Constitution of Kenya 2010, mandates the County Executive and its departments to manage the affairs of the County and make regular reports.

Mr. Speaker, additionally, Section 166 of the PFM Act, 2012 requires that reports are made and submitted in time. Accurate reporting therefore is very key in realizing the effectiveness of these departments and ensuring that the public gets the required services in due course Mr. Speaker. The Select Committee of PIC/PAC has sufficiently given adequate recommendations that is adopted and implemented by the County Executive, then I know that subsequent reporting will not have such grave inconsistencies seen in the statements of Cashflow as listed in item 3.1. Mr. Speaker, I really hope that this House embraces and adopts this report, otherwise I support.

The Speaker (Hon. Oraro): Hon. Tom Nyaoke.

Hon. Nyaoke (MCA, North Nyakach Ward): Thank you Mr. Speaker. I want to start by saying or rather appreciating the report which has been tabled before us this afternoon. Mr. Speaker, we have followed the report that has just been read by the chair, PIC/PAC, and a raft of observations and subsequent recommendations has also been given. Mr. Speaker, this is not really the first report of a similar nature. We have had similar reports that come before us in this House, and the observations remain almost the same. It is important to note that if we let alone the a lots of stories and come to the general observations which were made by this House Committee Mr. Speaker, you will realize that a number of issues that the management failed to comply with came from the office of the Auditor General's report.

Mr. Speaker, the management should importantly note that managing the County Government is not like running a personal home where you can just sweep under the carpet important issues and let them to pass. Mr. Speaker, we need to give our endeavour to this House so that the recommendations that we give after the adoption of are fully complied with.

Mr. Speaker that is the only best way that we can help our able Governor to run this good County of Kisumu. It is painful that the people we employ to help the Governor run this County can put aside very important issues or just simply neglect to do what they are supposed to do. There are specific Regulations that have been put in place. However, the people that we put in place to do these jobs are much aware of these fundamental Clauses and Acts that they are supposed adhere to. It becomes a sad state of affairs that even a simple explanation that they are supposed to give us- even back in our homes like for example even in my home, a gardener must give a record of every *"Jembe"* (hoe) that I buy, a record of how many slashers I have in my home. But, we cannot have a County Executive Committee Member who cannot even be able to maintain a Fixed Asset Register that we have in the County.

Mr. Speaker, it is high time that some of these people that we put into these positions take their work seriously. So that it is not just a matter of time but rather just not know that when these reports come here and we adopt, we will give them the standard ninety days to respond and before that ninety days comes, another report is there. We are giving another ninety days for response Mr. Speaker. From your desk and the Chairperson of these relevant House Committees and in this case. The Chairperson of the PIC/PAC Committee, we want to implore upon him

together with his committee membership that, he ensures that these other respective responses are followed up to the letter. I would also wish that after the lapse of those ninety days, we want to see the reports that have been given to this House regarding the questions that are still pending. Mr. Speaker, since we have also passed a rule here for the time that we need to debate, I will honour that and I beg to support the motion. Thank you.

The Speaker (Hon. Oraro): Hon. Boitone Ratib.

Hon. Boitone (MCA Nyalenda "A" Ward): Thank you so much Mr. Speaker. I believe that the recommendation that this committee did is a good one that if at all adhered to, I believe some people who are sleeping on the job will have to wake up.

Mr. Speaker, the last recommendation touches on something here that we need to echo. The House Committee in its finding realized that in the year 2021, the COVID-19 surge had already gone down and at that particular time, the Accounting Officer went ahead and procured Protective Gears whose worth were four times more that when the COVID-19 was at its peak amounting to Kshs 8,224,100.00. For this matter therefore, this is something which should not be taken lightly. This Accounting Officer should come and shedlight on how this money was spent and how these other clothing materials were used after there was a very big decline in the surge of COVID-19. The recommendation was very clear that somebody should be held responsible. In addition, I believe that if the Assembly would pick up issues like this one, then it is my belief that the County Executive would be put on their toes. That is our oversight authority that this Assembly should be doing. In that regard, Mr. Speaker, I support that this report be adopted as soon as possible and within a period of ninety days, something needs to be implemented. Thank you, Mr. Speaker.

The Speaker (Hon. Oraro): Hon. Maurice Ngeta.

Hon. Ngeta (MCA, Awasi Onjiko Ward): Thank you Mr. Speaker sir. I arise join my fellow colleagues in supporting the good report which was done by our able Chair of PIC/ PAC Committee. Mr. Speaker, I want to be on record once again. There was a time when I stood here and said that action should be taken against rogue officers. We know very well the rules and regulations of Public Finance Management Act (PFM). Mr. Speaker, we have witnessed dubious activities done by our Chief Officers, Directors and other Procurement Officers.

Mr. Speaker, during the COVID-19 period, a lot happened. We are all aware that no action has been taken and according to Public Finance Management Act, public resources must be used accordingly and procedurally without omitting any PFM Act Mr. Speaker. I want to urge all Honourable Members and also agree with my able Chairperson here that we are the watchdog of this system as well as the eyes of our electorates. So, Mr. Speaker, I want to support and also urging Members to support this report, thank you.

The Speaker (Hon. Oraro): Hon. James Were.

Hon. Were (MCA Nyalenda "B" Ward): Thank you, Mr. Speaker. Equally as a member of this House Committee, I rise to support this report. Usually when you are given a task of running a department where money is supposed to be used prudently, you must take that job seriously. If I just pick on two issues that were raised;

i. Failure to maintain a Fixed Asset Register.
ii. Unauthorized Expenditure and Unapproved Budget.

Mr. Speaker, we know what PFM Act entails and several funds are being generated within this County. If we do not take our work seriously, then public funds will not be utilized according to the Law that provide for the prudent usage. If you look at the recommendations given there by this House Committee, there are several suggestions on what needs to be done. Mr. Speaker, let us therefore compel the County Executive, the ones who have been given tasks whether the; Directors, Chief Officers, County Executive Committee Members to ensure that there is prudent management of public funds so that we do not witness the loss of public Funds.

Mr. Speaker, somebody must take this responsibility so that this can be a lesson learnt so that in future, those who will be given responsibility, will do due diligence to ensure that they take their job and their work seriously. Mr. Speaker, I beg to support, thank you.

The Speaker (Hon. Oraro): Hon. Chief Whip.

The Chief Whip (Hon. Kanga, MCA, Market Milimani): Thank you Mr. Speaker. I rise to support the report presented here by the chairman of PIC/PAC, Hon. Ouko. Mr. Speaker, if you read the recommendations, that's where I want to base my contribution on. Mr. Speaker, this House Committee has highlighted serious recommendations Mr. Speaker, but the committee failed to give us directions on what it's supposed to be done to this Accounting Officers or the accounting officer who presided over the management of COVID-19 funds Mr. Speaker in the said financial year. Mr. Speaker, if you look at the Kshs 723 shillings which was used to purchase some properties, and Mr. Speaker, if you go to the asset records, the records does not indicate where the fixed assets which were bought in that financial year for the purposes of managing the issues of COVID are.

Mr. Speaker, if you look at the provisions of section 136 of the PFM Act on Regulations therein it indicates that an accounting officer should be able in his or her department or wherever he or she is an accounting officer should maintain an Asset Register. Hon. Ouko has indicated to us that these assets which were purchased during that financial year, there was no asset register. Mr. Speaker, this is something which does not even fall within the COVID-19 funds alone. We have been informed of it before and seen several reports from the Public Accounts Committee indicating to us not only in the COVID-19 funds but in different departments in this county Mr.

Speaker, especially the 10 department, where assets bought by the county government cannot be traced and some of these officers, you know, we have them on contract. Mr. Speaker, some of them are hired for five years or three years and after three years, their contracts, lapses and they moves to other entities without indicating or stating to the county government, that these assets were bought and they are maintained, they are in the stores or the vehicles are moving.

Mr. Speaker these people serve their terms for five years and leave, no action is always taken against them. Mr. Speaker, we have never seen any case in Kisumu County, whereby an officer is charged. Some of us as representative of the people, we need to tell the County Government of Kisumu, even though it is our government, It has been a tradition whereby assets are bought by the county government.

Mr. Speaker, Hon. Okumu was complaining that some equipment's were bought in the Education Department, for his ward and these equipments never reached that ward. Mr. Speaker, so in the terms of assets Mr. Chair, you should make far reaching recommendations to these officers, so that the county government is seen to be taking actions, Mr. Speaker, even if somebody went to another institution, we have the powers to summon him to explain where the assets are. Mr. Speaker, with those recommendations, I support the recommendations of the report as read by the Chairman. Thank you Mr. Speaker.

The Speaker (Hon. Oraro): Hon. Vincent Jagongo.

Hon. Jagongo (MCA, North West Kisumu Ward): Thank you Mr. Speaker. I would just want to highlight on one item on the House Committee observation that is the money that was used to Purchase Plant Equipment and Intangible Assets. The figure even if the officer left, I don't think if a plant is something that cannot be seen, it is like a machine doing a certain job. It can still be replaced whether the officer left or whether they are no asset records.

Mr. Speaker, we need to summon some of these people because these are equipment that can still be traced and be seen whether they are there or not there because money was spent over Kshs 3 million was spent to purchase these items. I would want to request the Hon. Speaker that further deliberation be made on this by summoning the officers concerned and letting them tell us where this equipment of the plants are. Thank to.

The Speaker (Hon. Oraro): Hon. Seth Okumu.

Hon. Okumu (MCA, East Seme Ward): Thank you so much Hon. Speaker. I rise to support the adoption of this report from the Committee on Public Accounts and investment. Mr. Speaker, I agree with all the recommendations. But, I want to emphasize that we have a challenge in this House that we adopt so many reports but the implementation becomes a challenge.

Honorable Speaker, I want to implore on all who are responsible for implementation of Resolutions of this House to take this report seriously because this report is one of the main reports that will help us change the management of resources of Kisumu County.

Honorable Speaker, I want to agree with the Hon. Kanga's sentiments that sometimes we make recommendations and we forget this one individual who is responsible for the hugest loss that might be happening in these funds. All our funds have Fund Administrators and those funds administrators are the ones who should look into the proper and prudent use of these funds.

Mr. Speaker if there's loss of funds in a fund account, then we should hold the fund administrator liable individually and on this matter Honourable Speaker, I agree with the recommendation especially the one that is recommending that we take the matter to EACC if he can't respond to the Audit Query. Mr. Speaker, I want to ask the House to also agree with me that search fund administrator should not hold that position any further. So that we don't have fund administrators taking advantage of the funds that they hold, and then knowing that responsibility will fall on so many other people are not on him individually.

Mr. Speaker, I want to implore on the chairman among other recommendations that we will be adopting in this House, I want to request that if the fund administrator cannot give an account of the funds and cannot respond to the Audit Queries that were raised then he/she should cease to be a fund administrator of the Kisumu County Covid-19 Emergency Fund and any other fund that has been created in this County. Thank you.

The Speaker (Hon. Oraro): Hon. Owade.

Deputy Leader of Majority (Hon. Lumumba, MCA, South East Nyakach Ward): Mr. Speaker, while I am inclined to support the report, I have observed a recurring issue where offices often mismanage their responsibilities, leading us to rectify their errors without any repercussions for them. Take, for instance, the case of Hon. Seth Okumu, where there were allegations of supply and purchase of equipment which should have been addressed in his ward but were not, yet no action was taken. If this House is truly committed to accountability, I believe that, prior to us intervening in cases of mismanagement, the responsible officer should be either suspended or compelled to step aside pending investigation. For instance, in the matter where the chairperson has recommended involving the anti-corruption agency, it would be appropriate for the officers implicated to step aside before the case reaches the EACC.

Mr. Speaker, there is also a common trend that most of the equipment that are donated by our developing partners. You will find that they are in the hands of our officers yet they are not even registered. By the time the project is complete, these equipment end up in individuals' custody. It would be fair and better if at any time the development partners donate even a vehicle, it should

be referred to the county and given the County Registration Number and by the time the project is complete, we would know what to do with such vehicles. I am aware that the Department of Roads and Health normally get donations from development partners. Mr. Speaker we need to come up with a regulation to see to it that all that is donated to the County belongs to the County even after the project is complete. Thank you.

The Speaker (Hon. Oraro): Hon. James Omollo.

Hon. Omollo (MCA, West Nyakach Ward): Thank you Mr. Speaker, I wish to call the mover to reply.

The Speaker (Hon. Oraro): Yes Hon. Ouko.

Hon. Ouko (MCA, West Kisumu Ward): Thank you Mr. Speaker. For one, we have issues like the one you were talking about that is implementation. Even with excellent recommendations, without implementation, our efforts remain futile. Unless we are granted the authority to execute our recommendations ourselves, the responsibility currently rests with the Select Committee on Implementation. Mr. Speaker and Honourable Members, we are barred from doing anything that is because we have a House Committee that is in charge of implementation. It is also unfortunate that nearly in the whole County we don't have any Policy on Asset Register and this is now giving opportunity to some people to very vital equipment in our hospitals which is very dangerous. We cannot just sit and cross our hands but it is our duty to work and to protect the interests of the people, and this is why we came up with these far reaching recommendations.
Mr. Speaker, I would like to remind Members that our recommendations are brought to the Assembly and you as Members are allowed to further make amendments otherwise we would have taken it direct to the Executive but as the law requires, we have to bring our report to the House. I heard some of our Honourable Members wondering aloud instead of making amendments on our recommendations. Mr. Speaker, it is my hope and prayer that next time Members will be bold enough to give us a proper amendment accompanying our recommendations. Thank you.

The Speaker (Hon. Oraro): Honourable Members, a report of the Select Committee of PIC/PAC on the Examination of the report of the Auditor General on the Financial Statements of the Kisumu County COVID-19 Emergency Fund for the year ended 30th June, 2022 was moved, seconded and debated, I therefore want to put a question on the adoption of the same?

(Question put and agreed to)

The Speaker (Hon. Oraro): Honourable Members, a report of the Select Committee of PIC/PAC on the Examination of the report of the Auditor General on the Financial Statements of the

Kisumu County COVID-19 Emergency Fund for the year ended 30th June, 2022 is hereby adopted today 07th March, 2024 at 15:45 hours.

Honourable Members, I direct that the recommendations in this report with amendments therein be put into action by communicating to the relevant department. Consequently, the Select Committee of Implementation should take its work seriously by following up and ensure that the recommendations are adhered to, if not they report back to the House with appropriate action plan. The clerk also needs to communicate that to the committee and they need to act immediately.

The Speaker (Hon. Oraro): Next Order!!

ADJOURNMENT

The Speaker (Hon. Oraro): Honourable Members, there being no any other business to transact, the House stands adjourned to Tuesday, 12th March, 2024 at 2.30 p.m.

(House rose at 03.46 p.m.)

Addendum

Hansard Team

Zablon Otiende	-	*Senior Hansard Reporter (In-charge)*
Edward Odanga	-	*Hansard Reporter*
Fanuel Okode	-	*Hansard Reporter*
Patrick Okoyo	-	*Hansard Reporter*
Jesca Otieno	-	*Hansard Reporter*
Dennis Onyango	-	*Hansard Reporter*
Jacklyne Otieno	-	*Hansard Reporter*
Valery Achieng'	-	*Hansard Reporter*